

FY 2007: Year in Review

| Type of Project | Number of Applications | Proposed Capital Costs | Approved As Is | Less | Withdrawn Denied | Capital Cost Savings | | | |
|-------------------|------------------------|------------------------|----------------|---------------|------------------|----------------------|--------------|---|--------------|
| Projects | | | | | | | | | |
| Hospitals | 42 | \$143,608,397 | 31 | 10 | 0 | 1 | \$13,482,855 | | |
| Nursing Homes | 10 | 43,531,245 | 9 | 1 | 0 | 0 | 278,436 | | |
| Freestanding | 4 | 8,197,988 | 4 | 0 | 0 | 0 | 0 | | |
| Residential Care | 15 | 23,614,991 | 13 | 2 | 0 | 0 | 100,161 | | |
| Cost Overruns | 4 | 1,703,503 | 4 | 0 | 0 | 0 | 0 | | |
| SUB-TOTAL | | | 75 | \$220,656,124 | 61 | 13 | 0 | 1 | \$13,861,452 |
| Non-App. Requests | | | 56 | 26,582,768 | 55 | 0 | 0 | 1 | 518,125 |
| GRAND TOTAL | | | 131 | \$247,238,892 | 116 | 13 | 0 | 2 | \$14,379,577 |

In FY 2007, the Certificate of Need Program continued to maintain a busy pace. The volume of applications (75) was significantly higher than the 64 reviewed in FY 2006. The increase was due to a higher number of hospital applications, primarily for major medical equipment, and residential care applications. Program revenues in the form of application fees (\$296,160) once again exceeded the cost to administer the program (\$151,054).

Long-term care activity for intermediate care and skilled nursing facilities (ICF/SNF), residential care and assisted living facilities (RCF/ALF) and long-term care hospitals (LTCH) in FY 2007 continued at a steady rate. The following chart provides a breakdown of the LTC proposals processed in FY 2007:

Long Term Care Proposals Processed in FY 2007

| | ICF/SNF | | RCF/ALF | | LTCH | | TOTAL | |
|-------------------------------|-----------|------------|-----------|------------|-----------|----------|-----------|--------------|
| | Proposals | Beds | Proposals | Beds | Proposals | Beds | Proposals | Beds |
| <u>Full Applications</u> | | | | | | | | |
| - New Facility | 1 | 120 | 4 | 138 | 0 | 0 | 5 | 258 |
| - Expansion | 3 | 90 | 2 | 24 | 0 | 0 | 5 | 114 |
| <u>Expedited Applications</u> | | | | | | | | |
| - Bed Purchase | 4 | 90 | 2 | 32 | n/a | n/a | 6 | 122 |
| - Bed Replacement | 1 | 53 | 4 | 76 | n/a | n/a | 5 | 129 |
| - Renovate/Modernize | 1 | 246 | 3 | 146 | n/a | n/a | 4 | 392 |
| <u>Non-Applicability</u> | | | | | | | | |
| - 10-Bed/10% | 9 | 62 | 15 | 44 | n/a | n/a | 24 | 106 |
| - < \$600,000 | 3 | 0 | 14 | 213 | n/a | n/a | 17 | 213 |
| TOTAL | 22 | 661 | 44 | 673 | 0 | 0 | 66 | 1,334 |

In FY 2007, LTC proposals involving 1,334 beds were reviewed. This was a substantial reduction from the 2,327 reviewed in FY 2006. In addition, many proposals did not involve additional beds.

The six *purchase* and five *replacement* applications for ICF/SNF and RCF/ALF facilities allowed 251 beds to be moved from one location to another. The four *renovation/modernization* applications allowed an additional 392 beds to be upgraded in place. Thus, the actual number of "additional beds" reviewed in FY 2007 was **691**.

Finally, all of the additional LTC beds reviewed will not be developed. Two non-applicability proposals for 32 beds were relinquished, and one for 20 beds upgraded a FY 2006 proposal from RCF to ALF. As a result, the actual number of additional LTC beds to be developed from actions taken in FY 2007 will be **639** (264 ICF/SNF, 375 RCF/ALF and 0 LTCH).